VIRGINIA DIVISION OF GAS AND OIL

NOTICE OF INFORMAL FACT FINDING HEARING (IFFH)

In regard to Appalachian Energy Inc. Proposed Permit for New Gas Operation

Application 16883 for Coalbed Gas Well AE-259 with Pipeline

Located in the North Grundy District of Buchanan County, Virginia

Docket Number IFFH 24011

In Accordance with §45.1-361.35.H. of the Code of Virginia, the Director of the Division of Gas and Oil has scheduled an Informal Fact Finding Hearing to consider objection received from People Inc. to be affected by the above-named operation(s). The objection by a Surface Owner was received at the Division of Gas and Oil Office in a timely manner and in accordance with § 45.1-361.35. This notice of hearing is being sent to the permit applicant and to all parties with standing to object as prescribed by §45.1-361.30. All parties are entitled to be represented by counsel at the hearing, if desired. Those receiving notice of this proceeding and who did not object to the application are not required to attend.

The objections have been filed by the Surface and Coal Owners against the permit applications for Appalachian Energy Gas Operation AE-259 w/ PL in accordance with:

§ 45.1-361.35. Objections to permits; hearing.

- B. The only objections to permits or permit modifications which may be raised by surface owners are:
- 4. Location of the coalbed methane well or coalbed methane well pipeline will unreasonably infringe on the surface owner's use of the surface, provided, however, that a reasonable alternative site is available within the unit, and granting the objection will not materially impair any right contained in an agreement, valid at the time of the objection, between the surface owner and the operator or their predecessors or successors in interest.

All testimony in this conference must be relevant to objections allowed for and detailed in the Gas and Oil Act of 1990.

Date and location of Conference:

The hearing is scheduled for <u>Tuesday</u>, <u>June 8</u>, <u>2010</u> beginning at 1:15 pm. The hearing will be held at the Southwest Virginia Technology Development Center, Jefferson Room, Russell County Government Center, 141 Highland Drive, Lebanon, Virginia. Contact the Division at (276) 415-9700 with any questions. Specific directions and other important information can be accessed from the Department of Mines, Minerals and Energy website: http://www.dmme.virginia.gov/divisiongasoil.shtml

Informal Fact Finding Hearings by the Division are to be conducted according to provisions of the Administrative Processes Act of the Code of Virginia (§ 2.2-4019). In reaching a decision, the Director may rely upon any public data, field research, documents, and testimony given at the hearings.

This notice was prepared on May 27, 2010 and will be sent by certified mail, return receipt requested, to every person with standing to object as prescribed by § 45.1-361.30.

David E. Asbury Jr., Director Virginia Division of Gas and Oil Department of Mines, Minerals and Energy 135 Highland Drive; P.O. Box 159 Lebanon, VA 24266 (276) 415-9700